THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

Date: 15-Jan-2023
_____

H.E. Dr. Uzziel Ndagijimana
Minister of Finance and Economic Planning
Ministry of Finance and Economic Planning
Republic of Rwanda

Re: RWANDA: Public Finance Management Reform Project
Credit No. 6329-RW
First Amendment to the Financing Agreement

Excellency:

We refer to the Financing Agreement (the "Agreement") between the Republic of Rwanda (the "Recipient") and the International Development Association (the "Association") dated November 5, 2018 regarding the Public Finance Management Reform Project. We also refer to your letter of June 6, 2022 requesting specific amendments to the Agreement. Please note that the capitalized terms used in this letter ("Amendment Letter") and not defined herein have the meanings ascribed to them in the Agreement.

In view of the above, the Association agrees to amend the Agreement with respect to the provisions below:

1.   Part 1 of Schedule 1 to the Agreement is deleted and replaced entirely with the following:

"Part 1. Public Financial Management (PFM) IT Systems Roll-out

Support for, *inter alia*: (i) improving the functionalities of the Integrated Personnel and Payroll Information System (IPPIS) through quality assurance reviews, payroll data cleaning and related capacity building for public officers; and (ii) the rollout of the financial module of the School Data Management System (SDMS) to all secondary schools.

2.   Part 4 of Schedule 1 to the Agreement is deleted and replaced entirely with the following:

"Part 4. Professionalization of PFM staff – PFM Capacity Development

Support for the implementation of the PFM Learning and Development Strategy including through, *inter alia*: (i) expanding the scope of PFM professionalization courses available to all types of PFM staff in the public sector; (ii) extending opportunities for professionalization and capacity building to officers from decentralized units; and government-owned companies and government-based entities; (iii) developing a pipeline of PFM professionals through training and mentorship programs; (iv) development of a public sector PFM certification course; (v) training opportunities on enhancing climate-sensitive/"green" PFM; (vi) developing a framework to provide for a long term solution to support PFM professionalization; (vii) development of a strategic plan for effective oversight of State Owned Enterprises (SOEs); and (viii) technical assistance to strengthen

corporate governance in investment and portfolio oversight through the Ministry of Public Investments and Privatization."

3.   Section III.B (2) of Schedule 1 to the agreement is deleted and replaced entirely with the following:

"2.   The Closing Date is December 31, 2024."

4.   The Appendix to the Agreement is amended to add the following definitions and consequently renumber the existing definitions to keep the alphabetical order:

""IPPIS" or "Integrated Personnel and Payroll Information" means the Recipient's system for the recording and management of public sector payroll and personnel data.

"SDMS" or "School Data Management System" means the Recipient's system for student enrollment and school financial management.

"SOEs" or "State-Owned Enterprises" means any government-owned company, or government-based entity established, in Rwanda.

"Ministry of Public Investments and Privatization" means the Recipient's ministry responsible for public investments and privatization, as defined in government special gazette notice 21/10/2022, or its successor thereto."

All other provisions of the Agreement that have not been amended hereby shall remain in full force and effect.

Please confirm your agreement to the foregoing by signing this Amendment Letter. This Amendment Letter shall become effective as of the date of its countersignature.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: _____Rolande Pryce_____
Rolande Pryce
Country Manager for Rwanda

AGREED:

REPUBLIC OF RWANDA

By: ___Uzziel Ndagijimana_____   Date: ___16-Jan-2023_____
Authorized Representative

Name: H.E. Dr. Uzziel Ndagijimana
Title: Minister of Finance and Economic Planning